



MINUTES

PUBLIC UTILITIES, ENERGY, AND TECHNOLOGY INTERIM COMMITTEE

LEGISLATURE

Wednesday, May 15, 2019 | 8:30 a.m. | 25 House Building

Members Present:

Sen. Ronald Winterton, Chair
Rep. Carl R. Albrecht, Chair
Sen. David P. Hinkins
Sen. Derek L. Kitchen
Sen. Ralph Okerlund
Sen. Scott D. Sandall
Rep. Patrice M. Arent
Rep. Walt Brooks
Rep. Scott H. Chew
Rep. Kay J. Christofferson

Rep. Joel Ferry
Rep. Ken Ivory
Rep. Carol Spackman Moss
Rep. Marie H. Poulson
Rep. Jeffrey D. Stenquist
Rep. Keven J. Stratton

Staff Present:

Ms. Sarah J. Balland, Policy Analyst
Ms. Shannon C. Halverson, Associate General Counsel
Ms. Cherish Cosman, Administrative Assistant

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Chair Albrecht called the meeting to order at 8:31 a.m.

Members of the committee and staff introduced themselves.

MOTION: Rep. Stenquist moved to approve the minutes of the November 14, 2018 meeting. The motion passed with a vote of 13 - 0 - 3.

Yeas-13

Rep. C. Albrecht
Rep. P. Arent
Rep. W. Brooks
Rep. S. Chew
Rep. K. Christofferson
Rep. J. Ferry
Sen. D. Hinkins
Rep. C. Moss
Sen. R. Okerlund
Rep. M. Poulson
Sen. S. Sandall
Rep. J. Stenquist
Sen. R. Winterton

Nays-0

Absent-3

Rep. K. Ivory
Sen. D. Kitchen
Rep. K. Stratton

1 . Committee Business

[1a - Open and Public Meetings Act- A Summary of Key Provisions for Legislators](#)

Ms. Sarah Balland, Policy Analyst, Office of Legislative Research and General Counsel, reviewed the Open and Public Meetings Act.

Ms. Balland presented and explained the Public Service Commission Brief and Interim Study Items documents.

[1c - Public Service Commission Brief](#)

[1b - 2019 Interim Study Items](#)



Ms. Balland gave an overview of 2019 H.J.R. 11- "Joint Rules Resolution Establishing Interim Committee Rules" and subsequent rule changes applicable to interim committees.

MOTION: Rep. Chew moved to adopt the interim study items as assigned by the Legislative Management Committee. The motion passed with a vote of 15 - 0 - 1.

Yeas-15

Nays-0

Absent-1

Rep. C. Albrecht
Rep. P. Arent
Rep. W. Brooks
Rep. S. Chew
Rep. K. Christofferson
Rep. J. Ferry
Sen. D. Hinkins
Rep. K. Ivory
Rep. C. Moss
Sen. R. Okerlund
Rep. M. Poulson
Sen. S. Sandall
Rep. J. Stenquist
Rep. K. Stratton
Sen. R. Winterton

Sen. D. Kitchen

Ms. Balland continued to review 2019 H.J.R. 11, spoke to the issue of authorizing chairs to open committee bill files, and responded to questions from the committee.

MOTION: Rep. Stratton introduced himself and moved to allow the chairs to exercise discretion to open any bill file relating to the approved study items. The motion passed with a vote of 16 - 0 - 0.

Yeas-16

Nays-0

Absent-0

Rep. C. Albrecht
Rep. P. Arent
Rep. W. Brooks
Rep. S. Chew
Rep. K. Christofferson
Rep. J. Ferry
Sen. D. Hinkins
Rep. K. Ivory
Sen. D. Kitchen
Rep. C. Moss
Sen. R. Okerlund
Rep. M. Poulson
Sen. S. Sandall
Rep. J. Stenquist
Rep. K. Stratton
Sen. R. Winterton

2 . Power Markets

Dr. Laura Nelson, Executive Director, Governor's Office of Energy Development, presented an overview of the current market landscape and responded to questions.

[2a - Utah: The Crossroads for Energy and Mineral Policy, Development and Innovation, Governor's Office of Energy Development](#)

Mr. Chris Parker, Director, Division of Public Utilities, Utah Department of Commerce, spoke to the issue of emerging power markets and responded to questions.



Ms. Michele Beck, Director, Office of Consumer Services, Utah Department of Commerce, presented an overview of the Office of Consumer Services' role and the issue of markets and regionalization.

Ms. Kelly Francone, Executive Director, Utah Association of Energy Users, presented an overview of the Utah Association of Energy Users, provided an industrial perspective on power market structures, and responded to questions.

[2b - Power Market Perspective, Utah Association of Energy Users](#)

Dan Eldridge, General Manager, Intermountain Power Agency, gave an update on the Intermountain Power Project (IPP) and responded to questions.

Mike Squires, Government Affairs Director, Utah Association Municipal Power Systems, presented an overview of UAMPS, memberships, projects and updates.

Mr. Kimball R. Rasmussen, CEO and General Manager, Deseret Power Electric Cooperative, offered an overview and update on the direction of coal in Utah and responded to questions.

[2c - Utah Coal Update, Deseret Power](#)

Mr. Jeff Peterson, Executive Director, Utah Rural Electric Cooperative Association, introduced Mr. Clay MacArthur.

Mr. Clay MacArthur, Vice President of Power Marketing, Deseret Power Electric Cooperative, spoke to the issue of grid governance and the California Independent System Operator (ISO).

Mr. Jon Cox, Vice President, Government Affairs, Rocky Mountain Power, provided an overview of Rocky Mountain Power, reviewed utility regulation, and responded to questions.

[2d - Political Utility Regulatory Discussion, Rocky Mountain Power](#)

Mr. George Chapman, citizen, encouraged the committee to review all efforts to influence Utah's generating capacity.

Ms. Nicola Nelson, citizen, raised the issue of cyber-attacks on utilities and encouraged the committee to study the issue.

3 . Transportation Infrastructure and Incentives for Fuel Production

Sen. Winterton assumed the chair.

Ms. Rikki Hrenko-Browning, President, Utah Petroleum Association, presented an overview of UPA's perspective.

[3 - SB 201 Talking Points, Utah Petroleum Association](#)

Mr. Jeff Hartley, Lobbyist, Oil and Gas Producers, gave an overview of market trends and a corporate perspective on the issue.

Mr. Howard Stephenson, President, Utah Taxpayers Association, spoke in favor of General Session 2019 second substitute SB 201- "Sales and Use Tax Modifications" and offered insight to Utah's leading policies.

Mr. Jeff Peterson, Executive Director, Utah Rural Electric Cooperative Association, spoke to the issue of pyramiding of taxing at power generation facilities, favoring General Session 2019 second substitute SB 201.

Ms. Kelly Francone, Executive Director, Utah Association of Energy Users, spoke in favor of General Session 2019 second substitute SB 201.



Mr. Hartley responded to questions.

Mr. Stephenson answered further questions.

Mr. George Chapman spoke regarding the construction of a railroad or pipeline for transportation from the Uintah Basin.

Senator Hinkins responded to comments from Mr. George Chapman.

MOTION: Sen. Hinkins moved to open a committee bill file based on General Session 2019 second substitute SB 201 and committee discussion followed. The motion passed with a vote of 13 - 0 - 3.

Yeas-13

Rep. C. Albrecht
Rep. P. Arent
Rep. W. Brooks
Rep. S. Chew
Rep. K. Christofferson
Rep. J. Ferry
Sen. D. Hinkins
Sen. R. Okerlund
Rep. M. Poulson
Sen. S. Sandall
Rep. J. Stenquist
Rep. K. Stratton
Sen. R. Winterton

Nays-0

Absent-3

Rep. K. Ivory
Sen. D. Kitchen
Rep. C. Moss

[4 - General Session 2019 second substitute SB 201- "Sales and Use Tax Modifications](#)

Rep. Keven J. Stratton spoke in favor of the motion and urged further discussion.

MOTION: Sen. Hinkins moved to adjourn. The motion passed with a vote of 13 - 0 - 3.

Yeas-13

Rep. C. Albrecht
Rep. P. Arent
Rep. W. Brooks
Rep. S. Chew
Rep. K. Christofferson
Rep. J. Ferry
Sen. D. Hinkins
Sen. R. Okerlund
Rep. M. Poulson
Sen. S. Sandall
Rep. J. Stenquist
Rep. K. Stratton
Sen. R. Winterton

Nays-0

Absent-3

Rep. K. Ivory
Sen. D. Kitchen
Rep. C. Moss

Chair Winterton adjourned the meeting at 11:24 a.m.